JS 44 - CAND (Rev. 11/04)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON PAGE TWO.)

NJ CIVIL 06-1292 (FSH)

I.(a) PLAINTIFFS
INHERENT, COM aka INHERENT, INC.

DEFENDANTS
MARTINDALE-HUBBELL, LEXIS/NEXIS and DOES 1 through 200 inclusive

E-Filing

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF Oregon
(EXCEPT IN U.S. PLAINTIFF CASES)

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT Massachusetts
(IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.
(Division of MASS. Corporation)

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)
Patrick E. Catalano (SBN 60774), 781 Beach Street, No. 333, 415-788-0207

ATTORNEYS (IF KNOWN)
Zesara C. Chan (SBN 136302), SHARTSIS FRIESE, LLP One Maritime Plaza, 18th Flr. San Francisco, CA 94111

II. BASIS OF JURISDICTION (PLACE AN 'X' IN ONE BOX ONLY)

- ☐ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant
- ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (PLACE AN 'X' IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)
(For diversity cases only)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated or Principal Place of Business In This State	☐ 4	☐ 4
Citizen of Another State	☒ 2	☒ 2	Incorporated and Principal Place of Business In Another State	☒ 5	☒ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. ORIGIN (PLACE AN "X" IN ONE BOX ONLY)

☐ Original Proceeding ☒ Removed from State Court ☐ Remanded from Appellate Court ☐ Reinstated or Reopened ☐ Transferred from Another district (specify) ☐ Multidistrict Litigation ☐ Appeal to District Judge from Magistrate Judgment

V. NATURE OF SUIT (PLACE AN "X" IN ONE BOX ONLY)

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excl Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders Suits
- ☒ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault Libel & Slander
- ☐ 330 Federal Employers Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury

PERSONAL INJURY
- ☐ 362 Personal Injury Med Malpractice
- ☐ 365 Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth In Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

FORFEITURE/PENALTY
- ☐ 610 Agriculture
- ☐ 620 Other Food & Drug
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 630 Liquor Laws
- ☐ 640 RR & Truck
- ☐ 650 Airline Regs
- ☐ 660 Occupational Safety/Health
- ☐ 690 Other

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

OTHER STATUTES
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce/ICC Rates/etc.
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 810 Selective Service
- ☐ 850 Securities/Commodities/ Exchange
- ☐ 875 Customer Challenge 12 USC 3410
- ☐ 891 Agricultural Acts
- ☐ 892 Economic Stabilization Act
- ☐ 893 Environmental Matters
- ☐ 894 Energy Allocation Act
- ☐ 895 Freedom of Information Act
- ☐ 900 Appeal of Fee Determination Under Equal Access to Justice
- ☐ 950 Constitutionality of State Statutes
- ☐ 890 Other Statutory Actions

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Mgmt Relations
- ☐ 730 Labor/Mgmt Reporting & Disclosure Act
- ☐ 740 Railway Labor Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Empl.Ret. Inc. Security Act

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

CIVIL RIGHTS
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing
- ☐ 444 Welfare
- ☐ 440 Other Civil Rights
- ☐ 445 Amer w/ disab - Empl
- ☐ 446 Amer w/ disab - Other
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Satellite TV

PRISONER PETITIONS
- ☐ 510 Motion to Vacate Sentence Habeas Corpus:
- ☐ 530 General
- ☐ 535 Death Penalty
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition

FEDERAL TAX SUITS
- ☐ 870 Taxes (US Plaintiff or Defendant
- ☐ 871 IRS - Third Party 26 USC 7609

VI. CAUSE OF ACTION (CITE THE US CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)
Removal based on 28 U.S.C. Sec. 1446 and 1441; Jurisdiction based on 28 U.S.C. Sec. 1332 (diversity)

VII. REQUESTED IN COMPLAINT: ☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 DEMAND $ [OVER] 75,000 CHECK YES only if demanded in complaint: JURY DEMAND: ☐ YES ☒ NO

VIII. RELATED CASE(S) IF ANY PLEASE REFER TO CIVIL L.R. 3-12 CONCERNING REQUIREMENT TO FILE "NOTICE OF RELATED CASE".

IX. DIVISIONAL ASSIGNMENT (CIVIL L.R. 3-2) (PLACE AND "X" IN ONE BOX ONLY) ☒ SAN FRANCISCO/OAKLAND ☐ SAN JOSE

DATE August 30, 2005 SIGNATURE OF ATTORNEY OF RECORD

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DRICHARDS

SHARTSIS FRIESE LLP
ZESARA C. CHAN (Bar #136302)
TRACY A. DONSKY (Bar #197114)
One Maritime Plaza, 18th Floor
San Francisco, California 94111-3598
Telephone: (415) 421-6500
Facsimile: (415) 421-2922

Attorneys for Defendants
MARTINDALE-HUBBELL AND
LEXIS/NEXIS, divisions of
REED ELSEVIER, INC.

FILED
05 AUG 30 PM 3:01
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

E-filing

NJ Civ 06-1292 (FSH)

UNITED STATED DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

MHP

INHERENT.COM aka INHERENT, Plaintiff, v. MARTINDALE-HUBBELL, LEXIS/NEXIS INC. and DOES 1 through 200 inclusive, Defendants.	C No. 05 3515 **NOTICE OF REMOVAL OF ACTION PURSUANT TO 28 U.S.C. § 1441(b) (DIVERSITY); CERTIFICATION OF INTERESTED ENTITIES OR PERSONS PURSUANT TO LOCAL RULE 3-16** Complaint Filed: July 29, 2005

TO THE JUDGES AND THE CLERK OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA:

PLEASE TAKE NOTICE THAT, pursuant to 28 U.S.C. §§ 1441(a), 1441(b), 1446, and 1332, Defendants Martindale-Hubbell and Lexis/Nexis, divisions of Reed Elsevier, Inc. (collectively, "Defendants"), hereby remove the above-captioned action from the Superior Court of the State of California, County of San Francisco, to the United States District Court for the Northern District of California, San Francisco Division.

1. On or about July 29, 2005, Plaintiff Inherent.com aka Inherent, Inc. ("Plaintiff") filed a Complaint for Declaratory Relief, Breach of Contract, and Fraud against Defendants in the Superior Court of the State of California, County of San Francisco, Case No. CGC 05443573 ("Complaint"), entitled Inherent.com aka Inherent v. Martindale-Hubbell et al. (the "State Court

ORIGINAL

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SAN FRANCISCO, CALIFORNIA 94111-3598

Action"). A copy of all pleadings, notices, process and orders received by Defendants, including the Complaint and the Notice of Service of Process on Reed Elsevier, Inc. is attached hereto as Exhibit A.

2. The first date upon which Defendants received a copy of the such Summons and Complaint was August 1, 2005, through the attempted, although potentially defective, service of process on Reed Elsevier, Inc. This Notice of Removal is thus filed within thirty days of the first date of receipt of a copy of the Summons and Complaint by any Defendant and is timely pursuant to 28 U.S.C. § 1446(b).

3. This Court has original jurisdiction over Plaintiff's Complaint pursuant to 28 U.S.C. § 1332, because this civil action involves citizens of different states and the matter in controversy exceeds the sum of $75,000, exclusive of interests and costs, because, among other things, Plaintiff alleges in its Complaint that Defendants breached a contract whereby Defendants agreed to purchase Plaintiff for the sum of $780,000. Plaintiffs' claim may be removed by Defendant pursuant to the provisions of 28 U.S.C. § 1441(b).

4. Defendants are informed and believe that Plaintiff was incorporated under the laws of Oregon at the time the State Court Action was filed, and still is, a citizen of the State of Oregon, with its principal place of business in Portland, Oregon.

5. Martindale-Hubbell and Lexis/Nexis are not legal entities, but divisions of Reed Elsevier, Inc. At the time of the filing of the State Court Action, Reed Elsevier, Inc., was and still is, incorporated under the laws of the State of Massachusetts, with its principal place of business and headquarters located in Newton, Massachusetts. Martindale-Hubbell's principal place of business is New Providence, New Jersey, and the principal place of business of Lexis/Nexis is Miamisburg, Ohio.

6. The Complaint also names certain Doe Defendants 1-200. Pursuant to 28 U.S.C. § 1441(a), the citizenship of such fictitious Doe defendants shall be disregarded for purposes of removal.

7. Defendant is informed and believes that the amount in controversy in this action, exclusive of interest and costs, exceeds the sum of seventy-five thousand dollars ($75,000). In the

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State Court Action, among other things, Plaintiff alleges that Defendants entered into an agreement with Plaintiff to purchase Plaintiff for a total sum of $780,000.00 and also agreed to hire certain key employees of Plaintiff. Plaintiff claims that Defendants breached the contract by not fulfilling its duties under the parties' purported purchase contract, Defendants never intended to purchase Plaintiff, and Defendants allegedly used unspecified trade secrets of Plaintiff to obtain some supposed unfair advantage. The Complaint alleges that Defendants contend that no firm or binding contract existed between the parties. Accordingly, Defendants is informed and believes that the amount in controversy exceeds $75,000.

8. Defendants may properly remove the State Court Action to this Court because diversity of citizenship exists between Plaintiff and Defendants and the matter in controversy between them is in excess of $75,000. Accordingly, this Court has original jurisdiction over this action, pursuant to 28 U.S.C. § 1332.

9. Venue lies in the United States District Court for the Northern District of California, San Francisco Division, pursuant to 28 U.S.C. § 1441(a) because the State Court Action was filed and is pending in this district.

10. Defendant will give notice today of the filing of this Notice of Removal to Plaintiffs and to the Clerk of the Superior Court of the State of California in and for the County of San Francisco. The Notice of Removal is concurrently being served on all parties.

WHEREFORE, defendant prays that the State Court Action be removed from the Superior Court of the State of California in and for the County of San Francisco to this Court.

DATED: August 30, 2005

SHARTSIS FRIESE LLP

By ______________________
ZESARA C. CHAN

Attorneys for Defendants
MARTINDALE-HUBBELL AND
LEXIS/NEXIS, divisions of REED ELSEVIER, INC.

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CERTIFICATION OF INTERESTED ENTITIES OR PERSONS

(PURSUANT TO LOCAL RULE 3-16)

Pursuant to Civil Local Rule 3-16, the undersigned, counsel of record for Martindale-Hubbell and Lexis/Nexis, divisions of Reed Elsevier, Inc., on information and belief, certifies that the following listed persons, associations or persons, firms, partnerships, corporations (including parent corporations) or other entities (i) have a financial interest in the subject matter in controversy or in a party to the proceeding, or (ii) have a non-financial interest in that subject matter or in a party that could be substantially affected by the outcome of this proceeding:

1. Reed Elsevier, Inc. (named defendants are divisions of Reed Elsevier, Inc.).
2. Inherent, Inc. (named plaintiff).
3. Inherent.com (named plaintiff).

DATED: August 30, 2005

SHARTSIS FRIESE LLP

By ZESARA C. CHAN

Attorneys for Defendants
MARTINDALE-HUBBELL AND
LEXIS/NEXIS, divisions of REED ELSEVIER, INC.

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ONE MARITIME PLAZA
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